

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN**

UNITED STATES OF AMERICA	§	Claim No: 2000A13558/2000A13785
	§	
vs.	§	
	§	
Ronald E. Sexton		

<b>COMPLAINT</b>
------------------

TO THE HONORABLE UNITED STATES DISTRICT COURT JUDGE:

The United States of America, plaintiff, alleges that:

**Jurisdiction**

1. This Court has jurisdiction over the subject matter of this action pursuant to Article III, Section 2, U.S. Constitution and 28 U.S.C. § 1345.

**Venue**

2. The defendant is a resident Oakland County, Michigan within the jurisdiction of this Court and may be served with service of process at 842 Bloomfield Village Blvd., Apt. A, Auburn Hills, Michigan 48326.

**The Debt**

**First Cause of Action - Claim Number: 2000A13558**

3. The debt owed the USA is as follows:

A. Current Principal ( <i>after application of all prior payments, credits, and offsets</i> )	\$1,373.38
B. Current Capitalized Interest Balance and Accrued Interest	\$1,855.56
C. Administrative Fee, Costs, Penalties	\$0.00
D. Credits previously applied ( <i>Debtor payments,</i>	\$0.00

*credits, and offsets)*

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E. Attorneys fees	\$0.00
<b>Total Owed – Claim Number 2000A13558</b>	<b>\$3,228.94</b>

Second Cause of Action - Claim Number: 2000A13785

4. The debt owed the USA is as follows:

A. Current Principal ( <i>after application of all prior payments, credits, and offsets</i> )	\$2,844.21
B. Current Capitalized Interest Balance and Accrued Interest	\$5,155.71
C. Administrative Fee, Costs, Penalties	\$0.00
D. Credits previously applied ( <i>Debtor payments, credits, and offsets</i> )	\$0.00
E. Attorneys fees	\$0.00
<b>Total Owed – Claim Number 2000A13785</b>	<b>\$7,999.92</b>

**TOTAL OWED (Claim Numbers 2000A13558 and 2000A13785) \$11,228.86**

The Certificates of Indebtedness, attached as Exhibit "A" and "B", show the total owed excluding attorney's fees and CIF charges. The principal balance and the interest balance shown on the respective Certificates of Indebtedness, are correct as of the date of the Certificates of Indebtedness after application of all prior payments, credits, and offsets. Prejudgment interest accrues at the rate of 9.130% per annum or \$0.34 per day on Claim Number 2000A13558 and 10.000% per annum or \$0.78 per day on Claim Number 2000A13785.

**Failure to Pay**

5. Demand has been made upon the defendant for payment of the indebtedness, and the defendant has neglected and refused to pay the same.

WHEREFORE, USA prays for judgment:

A. For the sums set forth in paragraph 3 and 4 above, plus prejudgment interest through the date of judgment, all administrative costs allowed by law, and post-judgment interest pursuant to 28 U.S.C. § 1961 that interest on the judgment be at the legal rate until paid in full;

B. For attorneys' fees to the extent allowed by law; and,

C. For such other relief which the Court deems proper.

Respectfully submitted,

By: s/Charles J. Holzman (P35625)  
Holzman Corkery, PLLC  
Attorneys for Plaintiff  
Tamara Pearson (P56265)  
28366 Franklin Road  
Southfield, Michigan 48034  
(248) 352-4340  
usa@holzmanlaw.com

U. S. DEPARTMENT OF EDUCATION  
SAN FRANCISCO, CALIFORNIA

## CERTIFICATE OF INDEBTEDNESS

Ronald E. Sexton  
N/A  
26612 Ridgefield  
Warren, MI 48089

SSN:

I certify that Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 03/10/99.

On or about 06/28/88, the borrower executed promissory note(s) to secure loan(s) of \$1,004.00 from Central Bank & Trust – Lander, WY at 9.13% percent interest per annum. This loan obligation was guaranteed by United Student Aid Funds, Inc. and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 CFR. Part 682). The holder demanded payment according to the terms of the note(s), and credited \$0.00 to the outstanding principal owed on the loan(s). The borrower defaulted on the obligation on 02/18/91, and the holder filed a claim on the guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$1,373.38 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. The guarantor attempted to collect the debt from the borrower. The guarantor was unable to collect the full amount due, and on 08/04/93, assigned its right and title to the loan(s) to the Department.

Since assignment of the loan, the Department has received a total of \$0.00 in payments from all sources, including Treasury Department offsets, if any. After application of these payments, the borrower now owes the United States the following:

Principal:	\$1,373.38
Interest:	\$ 864.49
Administrative/Collection Costs:	\$ 0.00
Late fees:	\$ 0.00
Total debt as of 03/10/99:	\$2,237.87

Interest accrues on the principal shown here at the rate of \$0.34 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 4/1/99

Name: [Signature]

Title: Loan Analyst

Branch: Litigation Branch

HIGHER EDUCATION ASSISTANCE FOUNDATION  
P.O. BOX 64107 • ST. PAUL, MN 55164-0107

After lender completes application, mail copy only to this address.

FOR STUDENTS  
(SLS) APPLICATION/  
PROMISSORY NOTE

## SECTION A - TO BE COMPLETED BY BORROWER (PRINT IN INK—PRESS FIRMLY—OR TYPE)

1. NAME (NO NICKNAMES) FIRST <u>Sexton</u> M.I. <u>E</u>		2. SOCIAL SECURITY NUMBER	3. WHEN WERE YOU BORN?
1. PERMANENT ADDRESS <u>26612 Ridgefield</u>		5. PERMANENT HOME PHONE <u>(33) 755-4021</u>	
CITY <u>Warren</u>		ZIP <u>48089</u>	
6. U.S. CITIZENSHIP STATUS (CHECK 1 OR 2) 1 <input checked="" type="checkbox"/> U.S. CITIZEN OR NATIONAL 2 <input type="checkbox"/> PERMANENT RESIDENT OR OTHER ELIGIBLE ALIEN		7. PERMANENT RESIDENT OF WHICH STATE <u>Mi</u>	8a. DRIVER LICENSE NUMBER (IF YOU DO NOT HAVE A LICENSE, PRINT "NONE" AND GO TO 9) <u>Mi</u>
9. ADDRESS OF BORROWER WHILE IN SCHOOL (STREET, CITY, STATE, ZIP) <u>26612 Ridgefield Warren, MI 48089</u>			
10. PHONE AT SCHOOL ADDRESS <u>(313) 758-7700</u>	11. MAJOR COURSE OF STUDY, SEE CODES IN INSTRUCTIONS IN APP. BOOKLET <u>15</u>	12. LOAN AMOUNT REQUESTED \$ <u>1004</u> .00	13. PERIOD LOAN WILL COVER FROM <u>7-5</u> MO <u>88</u> YR TO <u>8</u> MO <u>88</u> YR

## PRIOR LOAN INFORMATION: READ INSTRUCTIONS IN THE APPLICATION BOOKLET

14a. DO YOU HAVE ANY PRIOR UNPAID SLS (ALAS) LOANS? \$ <u>0</u>	<input type="checkbox"/> YES (GO TO 14b) <input checked="" type="checkbox"/> NO (GO TO 18)	14b. IF YES, TOTAL UNPAID PRINCIPAL BALANCE \$	15. UNPAID PRINCIPAL BALANCE OF MOST RECENT PRIOR SLS (ALAS) \$	16. GRADE LEVEL OF MOST RECENT PRIOR SLS (ALAS); SEE INSTRUCTIONS IN APP. BOOKLET	17. LOAN PERIOD START DATE OF MOST RECENT PRIOR SLS (ALAS) MO DAY YR
18. HAVE YOU EVER DEFAULTED ON A GSL, SLS (ALAS), PLUS, PERKINS, CONSOLIDATED, OR INCOME CONTINGENT LOAN? <input type="checkbox"/> YES (GIVE DETAILS ON SEPARATE SHEET) <input checked="" type="checkbox"/> NO					

## REFERENCES (YOU MUST PROVIDE THREE DIFFERENT NAMES, WITH DIFFERENT U.S. ADDRESSES AND PHONE NUMBERS)

19a. NAME <u>Dan Henson</u>	19b. NAME <u>Tom Henson</u>	19c. NAME <u>Sherri Sexton</u>
STREET <u>31776 Schoenherr</u>	STREET <u>11825 Diehl</u>	STREET <u>325 N Groesbeck Apt</u>
CITY, STATE, ZIP <u>Warren, MI 48089</u>	CITY, STATE, ZIP <u>St. Houghts, MI 48077</u>	CITY, STATE, ZIP <u>Mt. Clemens, MI 48008</u>
PHONE	PHONE	PHONE
20. IF YOU QUALIFY FOR A DEFERMENT, DO YOU WISH TO DEFER PRINCIPAL PAYMENTS WHILE IN SCHOOL? (IF YES, GO TO 21; IF NO, GO TO 22a) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		
21. YOUR LENDER MAY ALLOW THE INTEREST TO ACCRUE AND CAPITALIZE IT DURING THE DEFERMENT, OR YOUR LENDER MAY COLLECT THE INTEREST FROM YOU IN PERIODIC INSTALLMENTS. IF YOUR LENDER GIVES YOU A CHOICE, WHICH DO YOU PREFER? <input checked="" type="checkbox"/> ACCRUE; CAPITALIZE <input type="checkbox"/> PERIODIC INSTALLMENT PAYMENTS		

NOTICE TO BORROWER: You agree that the lender identified in Section C is the lender you have chosen. You must read the additional Promissory Note terms and the Borrower's Certification on the reverse side before signing this Promissory Note. PROMISE TO PAY: I promise to pay to the order of my lender the entire Loan Amount Requested shown above, to the extent that it is advanced to me, including the Guarantee Fee and interest on the unpaid principal balance, subject to the terms and conditions described on the reverse side of this Promissory Note and to the terms and conditions contained in the Disclosure Statement that will be provided to me no later than the time of the first disbursement of this loan. I have read, I understand, and I agree to the Borrower's Certification on the reverse side of this Promissory Note. I understand that this is a Promissory Note. I will not sign it before reading all of its provisions, even if otherwise advised. I am entitled to a copy of this Promissory Note. By signing this Promissory Note I acknowledge that I have received an exact copy of it.

22a. SIGNATURE OF BORROWER (APPLICATION CANNOT BE PROCESSED WITHOUT SIGNATURE) <u>Ronald E. Sexton</u>	22b. DATE BORROWER SIGNED <u>6-28-88</u>
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## SECTION B - TO BE COMPLETED BY SCHOOL (BORROWER: DO NOT WRITE IN SECTIONS BELOW)

23. NAME OF SCHOOL <u>ILTR INC</u>	25. PHONE <u>(313) 758-7700</u>	26. SCHOOL CODE <u>023556</u>
24. ADDRESS (STREET, CITY, STATE, ZIP) <u>2943 E 8 MILE ROAD WARREN MI 48091</u>	27. SCHOOL BRANCH <u>02</u>	31. ANTICIPATED GRADUATION DATE MO <u>8</u> DAY <u>26</u> YR <u>88</u>
28. 29. PERIOD LOAN WILL COVER FROM MO <u>7</u> DAY <u>5</u> YR <u>88</u> TO MO <u>8</u> DAY <u>26</u> YR <u>88</u>	30. STUDENT'S GRADE LEVEL (CHECK ONE) CORRESP. <input type="checkbox"/> UNDERGRAD. <input checked="" type="checkbox"/> <u>2</u> <u>3</u> <u>4</u> <u>5</u>	35. ESTIMATE FOR LOAN PERIOD \$ <u>2625</u>
32. STUDENT'S ENROLLMENT STATUS DURING THE LOAN PERIOD (CHECK 1 OR 2) 1 <input checked="" type="checkbox"/> FULL-TIME 2 <input type="checkbox"/> HALF-TIME	33. STUDENT STATUS <input type="checkbox"/> DEPENDENT <input checked="" type="checkbox"/> INDEPENDENT	36. DIFFERENCE (ITEM 34 LESS ITEM 35) OR LEGAL MAXIMUM \$ <u>1004</u>
37. SUGGESTED DISBURSEMENT DATES 1ST DISB. <u>as soon as possible</u> 2ND DISB. MO DAY YR	38. DO SUGGESTED DISBURSEMENT DATES CORRESPOND TO SCHOOL TERMS? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	39. WILL THE STUDENT ATTEND A FOREIGN SCHOOL? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
40. SCHOOL USE ONLY		41. DATE SIGNED MO <u>7</u> DAY <u>6</u> YR <u>88</u>
I HAVE READ, I UNDERSTAND, AND I AGREE TO THE TERMS OF THE SCHOOL CERTIFICATION PRINTED ON THE REVERSE SIDE OF THIS APPLICATION.		42. PRINT NAME AND TITLE <u>A. KARIM, F.A.O.</u>

## SECTION C - TO BE COMPLETED BY LENDER

42. NAME OF LENDER <u>Central Bank &amp; Trust</u>	44. LENDER CODE <u>812068</u>	46. MO DAY YR \$ AMOUNT
43. ADDRESS (STREET, BUILDING) <u>P.O. Box 69</u>	45. BRANCH CODE	47. MO DAY YR \$ AMOUNT
CITY, STATE, ZIP <u>Lander, WY 82520</u>	53. LENDER USE ONLY	49. TOTAL LOAN AMOUNT APPROVED \$ <u>1,004</u>
50. NUMBER OF MONTHLY INSTALLMENTS <u>21</u>	51. DUE DATE OF FIRST PAYMENT MO <u>9</u> DAY <u>26</u> YR <u>88</u>	52. LENDER ACCOUNT NUMBER
54a. SIGNATURE OF LENDING OFFICIAL <u>Scott J Brewster</u>	54b. DATE SIGNED MO <u>7</u> DAY <u>6</u> YR <u>88</u>	54c. PRINT NAME AND TITLE <u>Scott J Brewster</u>

## SECTION D - TO BE COMPLETED BY HEAF

55. HEAF USE ONLY	56. PROMISSORY NOTE STATUS	57. CREDIT APPROVAL INDICATOR
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U. S. DEPARTMENT OF EDUCATION  
SAN FRANCISCO, CALIFORNIA

## CERTIFICATE OF INDEBTEDNESS

Ronald E. Sexton  
N/A  
26612 Ridgefield  
Warren, MI 48089

SSN:

I certify that Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 03/10/99.

On or about 06/28/88, the borrower executed promissory note(s) to secure loan(s) of \$2,625.00 from Central Bank & Trust - Lander, WY at 10% percent interest per annum. This loan obligation was guaranteed by United Student Aid Funds, Inc. and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 CFR. Part 682). The holder demanded payment according to the terms of the note(s), and credited \$0.00 to the outstanding principal owed on the loan(s). The borrower defaulted on the obligation on 03/18/91, and the holder filed a claim on the guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,844.21 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. The guarantor attempted to collect the debt from the borrower. The guarantor was unable to collect the full amount due, and on 06/14/93, assigned its right and title to the loan(s) to the Department.

Since assignment of the loan, the Department has received a total of \$407.00 in payments from all sources, including Treasury Department offsets, if any. After application of these payments, the borrower now owes the United States the following:

Principal:	\$2,844.21
Interest:	\$1,575.92
Administrative/Collection Costs:	\$ 0.00
Late fees:	\$ 0.00
Total debt as of 03/10/99:	\$4,420.13

Interest accrues on the principal shown here at the rate of \$0.78 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 4/1/89

Name: [Signature]

Title: Loan Analyst

Branch: Litigation Branch

HIGHER EDUCATION ASSISTANCE FOUNDATION  
P.O. BOX 64107 • ST. PAUL, MN 55164-0107

After lender completes application,  
mail HEAF copy only to this address.

HEAF USE ONLY

GUARANTEE  
STUDENT LOAN  
(GSL) APPLICATION  
PROMISSORY NOTE

SECTION A - TO BE COMPLETED BY BORROWER (PRINT IN INK—PRESS FIRMLY—OR TYPE)

1. NAME (NO NICKNAMES) LAST <u>Sexton</u> FIRST <u>Ronald</u> M.I. <u>E</u>		2. SOCIAL SECURITY NUMBER		3. WHEN WERE YOU BORN?	
4. PERMANENT ADDRESS <u>26612 Ridgfield</u> CITY <u>Warren</u> STATE <u>MI</u> ZIP <u>48089</u>				5. PERMANENT HOME PHONE <u>(313) 755-402</u>	
6. U.S. CITIZENSHIP STATUS (CHECK 1 OR 2) 1 <input checked="" type="checkbox"/> U.S. CITIZEN OR NATIONAL 2 <input type="checkbox"/> PERMANENT RESIDENT OR OTHER ELIGIBLE ALIEN		7. PERMANENT RESIDENT OF WHICH STATE <u>MI</u>		8a. DRIVER LICENSE NUMBER (IF YOU DO NOT HAVE A LICENSE, PRINT "NONE" AND GO TO 8b) <u>MI</u>	
9. ADDRESS OF BORROWER WHILE IN SCHOOL (STREET, CITY, STATE, ZIP) <u>26612 Ridgfield</u> <u>Warren</u> <u>MI</u> <u>48089</u>					
10. PHONE AT SCHOOL ADDRESS <u>(313) 758-7700</u>		11. MAJOR COURSE OF STUDY, SEE CODES IN INSTRUCTIONS IN APP. BOOKLET <u>15</u>		12. LOAN AMOUNT REQUESTED <u>\$ 2625</u>	
13. LOAN PERIOD FROM <u>7-5-88</u> TO <u>8-26-88</u>					

PRIOR LOAN INFORMATION: READ INSTRUCTIONS IN THE APPLICATION BOOKLET

14. HAVE YOU EVER DEFAULTED ON A GSL, SLS (ALAS), PLUS, PERKINS, CONSOLIDATED, OR INCOME CONTINGENT LOAN? <input type="checkbox"/> YES (GIVE DETAILS ON SEPARATE SHEET) <input checked="" type="checkbox"/> NO		15a. DO YOU HAVE ANY PRIOR UNPAID GSL LOANS? <input type="checkbox"/> YES (GO TO 15b) <input checked="" type="checkbox"/> NO (GO TO 20a)		15b. IF YES, TOTAL UNPAID BALANCE OF GSL LOANS \$	
16. UNPAID PRINCIPAL BALANCE OF MOST RECENT PRIOR GSL \$		17. GRADE LEVEL OF MOST RECENT PRIOR GSL; SEE INSTRUCTIONS IN APP. BOOKLET		18. LOAN PERIOD START DATE OF MOST RECENT PRIOR GSL MO DAY YR	
19. INTEREST RATE OF MOST RECENT PRIOR GSL <input type="checkbox"/> 7% <input type="checkbox"/> 8% <input type="checkbox"/> 9%					

REFERENCES (YOU MUST PROVIDE THREE DIFFERENT NAMES, WITH DIFFERENT U.S. ADDRESSES AND PHONE NUMBERS)

20a. NAME <u>Dan Henson</u> STREET <u>31776 Schoenherr</u> CITY, STATE, ZIP <u>Warren MI 48089</u> PHONE ( )		20b. NAME <u>Tom Henson</u> STREET <u>11825 Diehl</u> CITY, STATE, ZIP <u>St. Hgts. MI 48077</u> PHONE ( )		20c. NAME <u>Sherri Sexton</u> STREET <u>325 N Groesbeck Ave</u> CITY, STATE, ZIP <u>MT. Clemens MI 48060</u> PHONE ( )	
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NOTICE TO BORROWER: You agree that the lender identified in Section C is the lender you have chosen. You must read the additional Promissory Note terms and the Borrower's Certification on the reverse side before signing this Promissory Note. PROMISE TO PAY: I promise to pay to the order of my lender the entire Loan Amount Requested shown above, to the extent that it is advanced to me, including the Guarantee Fee and the Original Fee and Interest of the unpaid principal balance, subject to the terms and conditions described on the reverse side of this Promissory Note and to the terms and conditions contained in the Disclosure Statement that will be provided to me no later than the time of the first disbursement of this loan. I have read, I understand, and I agree to the Borrower's Certification on the reverse side of this Promissory Note. I understand that this is a Promissory Note. I will not sign it before reading all of its provisions, even if otherwise advised. I am entitled to a copy of this Promissory Note. By signing this Promissory Note I acknowledge that I have received an exact copy of it.

21a. SIGNATURE OF BORROWER (APPLICATION CANNOT BE PROCESSED WITHOUT SIGNATURE) <u>Ronald E. Sexton</u>		21b. DATE BORROWER SIGNED MO <u>6</u> DAY <u>28</u> YR <u>88</u>	
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SECTION B - TO BE COMPLETED BY SCHOOL (BORROWER: DO NOT WRITE IN SECTIONS BELOW)

22. NAME OF SCHOOL <u>IITR INC</u>		24. PHONE <u>(313) 758-7700</u>		25. SCHOOL CODE <u>023556</u>	
23. ADDRESS (STREET, CITY, STATE, ZIP) <u>2943 E 8 MILE ROAD WARREN MI 48091</u>				26. SCHOOL BRANCH <u>02</u>	
27. PERIOD LOAN WILL COVER FROM MO <u>7</u> DAY <u>15</u> YR <u>88</u> TO MO <u>8</u> DAY <u>26</u> YR <u>88</u>		29. STUDENT'S GRADE LEVEL (CHECK ONE) CORRESP. UNDERGRAD. <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10		30. ANTICIPATED GRADUATION DATE MO <u>8</u> DAY <u>26</u> YR <u>88</u>	
31. STUDENT STATUS (CHECK ONE) <input type="checkbox"/> DEPENDENT <input checked="" type="checkbox"/> INDEPENDENT		32. ADJUSTED GROSS INCOME (AGI) \$ <u>7078</u>			
33. COST OF ATTENDANCE FOR LOAN PERIOD \$ <u>3629</u>		34. ESTIMATED FINANCIAL AID FOR LOAN PERIOD \$ <u>0</u>		35. EXPECTED FAMILY CONTRIBUTION (EFC) \$ <u>0</u>	
36. DIFFERENCE (ITEM 33 LESS ITEMS 34 AND 35) OR LEGAL MAXIMUM \$ <u>3629.00</u>		37. SUGGESTED DISBURSEMENT DATES 1ST DISB. <u>as soon as possible</u> 2ND DISB. MO DAY YR 3RD DISB. MO DAY YR			
38. DO SUGGESTED DISBURSEMENT DATES CORRESPOND TO SCHOOL TERMS? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		39. WILL THE STUDENT ATTEND A FOREIGN SCHOOL? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>		40. SCHOOL USE ONLY	
I HAVE READ, I UNDERSTAND, AND I AGREE TO THE TERMS OF THE SCHOOL CERTIFICATION PRINTED ON THE REVERSE SIDE OF THIS APPLICATION.		41a. SIGNATURE OF SCHOOL OFFICIAL <u>N. Karim</u>		41b. DATE MO <u>7</u> DAY <u>6</u> YR <u>88</u>	
		41c. PRINT NAME AND TITLE <u>N. KARIM, F.A.O.</u>			

SECTION C - TO BE COMPLETED BY LENDER

42. NAME OF LENDER <u>Central Bank &amp; Trust</u>		44. LENDER CODE <u>812068</u>		48. LOAN DISBURSEMENTS MO <u>7</u> DAY <u>21</u> YR <u>88</u> \$ <u>2,625</u>	
43. ADDRESS (STREET, BUILDING) <u>P.O. Box 69</u>		45. BRANCH CODE		49. TOTAL LOAN AMOUNT APPROVED \$ <u>2,625</u>	
CITY, STATE, ZIP <u>Lander, WY 82520</u>		46.		50. IS THIS AN UNSUBSIDIZED LOAN? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	
51. LENDER ACCOUNT NUMBER		52. LENDER USE ONLY		53a. SIGNATURE OF LENDING OFFICIAL <u>Scott J. Brewster</u>	
				53b. DATE SIGNED MO <u>7</u> DAY <u>7</u> YR <u>88</u>	
				53c. PRINT NAME AND TITLE <u>Scott J. Brewster, VP</u>	

SECTION D - TO BE COMPLETED BY HEAF

SEXTON, RONALD, E CLAIM NO 1993050301239 06-14-93 SSN <u>TD 1</u>		LENDER COPY	
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**GSL PROMISSORY NOTE****A. PROMISE TO PAY**

The Interest, Guarantee Fee, and Origination Fee rates and terms (mentioned in the Promise to Pay on the front of this application/promissory note) are:

**INTEREST**

1) I agree to pay an amount equivalent to simple interest (as specified in (4)) on the unpaid principal balance from the date of disbursement until the entire principal sum and accrued interest are paid in full.

2) However, the U.S. Secretary of Education ("Secretary") will pay the interest that accrues on this loan prior to repayment status and during any deferment, if it is determined that I qualify to have such payments made on my behalf under the regulations governing the Guaranteed Student Loan Program ("GSLP"). In the event that the interest on this loan is payable by the Secretary, neither the lender nor other holder of this Note may attempt to collect this interest from me. I may, however, choose to pay this interest myself.

3) Once the repayment status begins I will be responsible for payment of all interest that accrues on this loan, except that if the interest accruing on this loan prior to the repayment period was payable by the Secretary, the Secretary will pay the interest that accrues during any period described under DEFERMENT in this Promissory Note.

4) The interest rate will be determined according to the following:

a. If I have an outstanding Guaranteed Student Loan, the applicable interest rate will be the rate applicable to that loan.

b. If I am borrowing for outstanding GSL(s), the applicable interest rate will be the rate applicable to that loan.

c. If I am borrowing for Supplemental Loans for Education (SLE), the applicable interest rate will be the rate applicable to that loan.

d. If I am borrowing for Consolidated Loans, the applicable interest rate will be the rate applicable to that loan.

e. If I am borrowing for Direct Loans, the applicable interest rate will be the rate applicable to that loan.

f. If I am borrowing for Direct Unsubsidized Loans, the applicable interest rate will be the rate applicable to that loan.

g. If I am borrowing for Direct Subsidized Loans, the applicable interest rate will be the rate applicable to that loan.

h. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

i. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

j. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

k. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

l. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

m. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

n. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

o. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

p. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

q. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

r. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

s. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

t. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

u. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

v. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

w. If I am borrowing for Direct PLUS Loans, the applicable interest rate will be the rate applicable to that loan.

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**F. DEFERMENT**

I understand that in certain instances authorized by the Act the payments I am required to make, as described under Repayment in this Note, may be deferred. The instances currently authorized under the Act are described under Deferment in the HEAF application information booklet. To obtain such a deferment, I agree to comply with the relevant federal regulations and the Rules and Regulations of the HEAF, including, without limitation, submission of required forms to the lender.

**G. FORBEARANCE**

If I am unable to repay this loan in accordance with the terms established under Repayment in this Note, I may request the lender to modify these terms. I understand that such modification would be at the lender's option and would have to be in compliance with the Act, federal regulations adopted under the Act, and the Rules and Regulations of HEAF. I understand that a modification of repayment terms under this Section is different from Deferment (as described in this Note) and that during this period I will remain responsible for payment of interest, which the lender may (a) collect from me on a periodic basis or (b) add to the principal balance of this loan.

**H. DEFAULT**

1) Definition—I understand that under the Act, and HEAF Rules and Regulations, any of the following events is a default:

a. failing to make any installment payment when due, provided that this failure persists for 180 day monthly installments or 240 days for a loan repayable in less frequent

installments for the purpose of obtaining this loan;

b. failing to make any installment payment when due, provided that this failure persists for 180 day monthly installments or 240 days for a loan repayable in less frequent

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c. failing to make any installment payment when due, provided that this failure persists for 180 day monthly installments or 240 days for a loan repayable in less frequent

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**AFFIX TO BACK OF PROMISSORY NOTE**

Pay to the order of Higher Education Assistance Foundation ("HEAF") without recourse, provided, however, notwithstanding this indorsement without recourse, the undersigned hereby expressly:

**1. Warrants that:**

- a) no defense of any party is good against the undersigned; and
- b) the undersigned is not in default under the terms of that certain Lender Agreement for Guarantee of Student loans with Federal Reinsurance ("Lender Agreement") between it and HEAF, in accordance with which payment of the indebtedness evidenced by this instrument was guaranteed by HEAF.

2. Disclaims the implied warranty that it has no knowledge of any insolvency proceeding instituted with respect to the maker of this instrument and instead warrants that to the extent it has knowledge of any such proceeding it has disclosed the same to HEAF, but no other implied warranties are hereby disclaimed.

**3. Acknowledges that:**

- a) upon payment in full by HEAF of the claim submitted by the undersigned pursuant to the aforesaid Lender Agreement, HEAF will have discharged all of its obligations to the undersigned arising out of said Lender Agreement; and
- b) notwithstanding payment by HEAF of the undersigned's claim and acceptance by HEAF of transfer of this instrument in consideration thereof, HEAF has not waived any rights that it may have against the undersigned pursuant to the terms of the aforesaid Lender Agreement.

SIGNATURE		DATE
x Tracy L. DeBello		10-10-11
TITLE		
Claims Analyst		

F0025 10-87

**B. DISCLOSURE**

I understand that before statement that identifies:

**C. GENERAL**

I understand that the lender, because of this, the loan is in accordance with, Title IV, federal regulations adopted not governed by federal law, the lender is located.

**D. REPAYMENT**

I will repay this loan in period the end of my grace period.

However, during the grace period begins when I cease that is participating in the Guaranteed Student Loan Program (GSLP).

1) I will repay this loan over a repayment period that generally lasts at least 5 years but no more than 10 years. However, the following exceptions to these rules apply:

- a. If, during the grace period, I request a shorter repayment period, the lender may grant me a shorter period. In that event, I may later choose to have the repayment period extended to 5 years.
- b. The lender may require a repayment period shorter than 5 years if this is necessary to ensure that during each year of the repayment period I—or, if both my spouse and I have GSL, PLUS or SLS program loans outstanding, we—pay toward principal and interest at least \$600 of the unpaid principal of all such loans (plus interest).
- c. If I qualify for postponement of my payments during any period described under Deferment in this Note, or if the lender grants "forbearance", as allowed by the Act, those periods will not be included in the 5- and 10-year periods mentioned above.

2) I must contact the lender prior to expiration of my grace period to negotiate the terms of repayment. If I neglect to do so, I hereby authorize the lender to establish repayment terms within the guidelines set forth in Paragraph 1 of this Section, without my further approval; however, the lender must inform me of these terms in writing at the latest address that I have provided to the lender.

3) The particular terms and conditions of repayment that apply to this loan will be set forth in a separate document that the lender will provide to me before the repayment period begins.

4) My obligation to repay this loan shall be cancelled if I become totally and permanently disabled or die.